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Counsel to the Debtors and
Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

- - - - -	x	:	
		:	
In re:		:	Chapter 11
		:	
CIRCUIT CITY STORES, INC.,		:	Case No. 08-35653 (KRH)
<u>et al.</u> ,		:	
		:	
Debtors.		:	Jointly Administered
- - - - -	x		

**ORDER PURSUANT TO BANKRUPTCY CODE SECTION 362(d)(1),
FEDERAL BANKRUPTCY RULE 4001, AND LOCAL BANKRUPTCY RULE
4001 MODIFYING THE AUTOMATIC STAY FOR THE LIMITED
PURPOSE OF ALLOWING SAFECO INSURANCE COMPANY OF AMERICA
TO COMMENCE CANCELLATION OF SURETY BONDS**

Upon the motion (the "Motion")¹ of the Debtors for entry of an order, pursuant to sections 105, 362(d)(1), and 365 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 4001 and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 4001 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia (the "Local Rule") for entry of an order (I) authorizing rejection of the Debtors' Surety Bonds; (II) modifying the automatic stay for the limited purpose of allowing Safeco to commence cancellation of Surety Bonds; (III) establishing a Surety Bond Claim Deadline; and (IV) granting related relief; and the Court having reviewed the Motion; and the Court having determined that a portion of the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein, and

¹ Each capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Motion.

after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED that:

1. The Motion is GRANTED in part solely and only as set forth herein.

2. The Debtors have requested, and Safeco has agreed, that Safeco will cancel all of the Debtors' Surety Bonds that can be canceled by their terms or by the applicable statute, code or regulations, which Surety Bonds are set forth on Exhibit A (collectively, the "Cancelable Surety Bonds").

3. The automatic stay imposed pursuant to section 362 of the Bankruptcy Code is modified to the extent necessary to authorize Safeco to promptly take all of the necessary actions to cancel all of the Cancelable Surety Bonds.

4. With respect to any Surety Bonds that remain outstanding as of the date of this Order that can be cancelled by their terms or by the applicable statute, code or regulations, but which are not listed on Exhibit A hereto (the "Unlisted Cancelable Surety Bonds"), the automatic stay imposed pursuant to section 362 of the

Bankruptcy Code is modified to the extent necessary to authorize Safeco to promptly take all of the necessary actions to cancel all of the Unlisted Cancelable Surety Bonds.

5. Prior to Safeco's taking the necessary or appropriate actions to cancel any Cancelable Surety Bond(s) or any Unlisted Cancelable Surety Bonds (for the purposes of this paragraph 5 only, the Cancelable Surety Bonds and the Unlisted Cancelable Surety Bonds shall be referred to collectively as the "Cancelable Surety Bonds"):

(a) Safeco shall provide written notice to the Debtors, through the Debtors' counsel, of Safeco's intent to take the necessary and appropriate actions to cancel one or more of the specifically named Cancelable Surety Bonds, and shall attach a copy of each specifically named Cancelable Surety Bond to its notice;

(b) Within ten (10) business days after the date of receipt of the notice, the Debtors may provide Safeco with their written consent with respect to any Cancelable Surety Bond(s) that Safeco seeks to cancel. The Debtors' failure to respond within ten (10) business days of receipt of Safeco's written notice shall be deemed to be the Debtors' written objection, in which case Safeco shall not be permitted to take any further action without either the Debtors' subsequent written consent or pursuant to a subsequent court order; and

(c) In the event the Debtors consent to Safeco's cancellation of any such Cancelable Surety Bond(s), the Debtors shall file a Notice with this Court consenting to Safeco's cancellation of the specific Cancelable Surety Bonds that the Debtors agree to, and Safeco shall be authorized to take the immediate, necessary and appropriate actions to cancel any Cancelable Surety Bond(s) in accordance with their terms and any applicable statutes, codes and/or regulations.

6. All Surety Bond premiums that have renewed prior to the date of this Order shall cease accruing upon the Cancellation Effective Date for each individual Surety Bond (whether the Cancellation Effective Date is defined in the Surety Bond or by the applicable statute, code or regulation).

7. Safeco will waive the right to collect any Surety Bond premium that renews for any individual Cancelable Surety Bond after the date of this Order.

8. No renewal premiums will be charged or will accrue for any Unlisted Cancelable Surety Bonds after the date of this Order.

9. Upon receipt of a Surety Bond Claim, and before Safeco remits payment to the Obligee in connection with that Surety Bond Claim, Safeco will provide the Debtors with a copy of the Surety Bond Claim,

as well as the opportunity to review and respond to the Surety Bond Claim, subject to Safeco's and the Debtors' rights, if any, under the Indemnity Agreement.

10. The requirement under Local Rule 9013-1(G) of the Local Rules for the United States Bankruptcy Court for the Eastern District of Virginia to file a memorandum of law in connection with the Motion is hereby waived.

11. This Court retains jurisdiction to hear and determine all matters arising from or related to implementation or interpretation of this Order.

Dated: Richmond, Virginia
April __, 2010
Apr 14 2010

/s/ Kevin Huennekens

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

Entered on docket: April 15 2010

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SEEN AND NO OBJECTION

By:

A handwritten signature in black ink, appearing to read "Robert P. McIntosh", written over a horizontal line.

Robert P. McIntosh
Assistant United States Attorney
Eastern District of Virginia
1800 Main Street Centre
600 East Main Street
Richmond, Virginia 23219-2447

United States Customs and Border Protection

Dated: April 12, 2010

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I
hereby certify that the foregoing proposed order has
been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley
Douglas M. Foley

EXHIBIT A

(List of Bonds)

Exhibit A: List of Debtors' Surety Bonds

Obligee	Description	Bond No.	Bond Amount	Effective Date
Jacksonville Electric Authority	Utility Bond	5732806-0000	\$40,600.00	6/6/2008
New Orleans Public Service	Utility Bond	5786559-0000	\$15,000.00	3/22/2009
Insurance Commissioner, State of Georgia	Extended Service Contract-Home Warranty Bond	5786563-0000	\$100,000.00	4/15/2008
Brownsville Public Utility Department	Utility Bond	5786564-0000	\$6,000.00	4/14/2008
North Little Rock Utilities Accounting Department	Utility Bond	5807614-0000	\$6,000.00	7/20/2008
Insurance Commissioner and Treasurer, State of Florida	Florida Home Warranty Bond	5807629-0000	\$100,000.00	8/27/2008
City of Lafayette Utility Systems	Utility Bond	5807637-0000	\$5,910.00	9/9/2008
City of Tallahassee, Credit/Collections Division	Utility Bond	5807638-0000	\$12,200.00	9/9/2008
State of Nevada	Nevada Retailer and/or User Bond	5807643-0000	\$1,442,987.00	9/19/2008
Massachusetts Turnpike Authority	Bond securing payment for use of MA Turnpike	5829483-0000	\$5,000.00	5/12/2008
Florida Power Corporation	Utility Bond	5860593-0000	\$99,775.00	12/18/2008
Orlando Utilities Commission	Utility Bond	5860601-0000	\$13,500.00	1/3/2009
Knoxville Utilities Board	Utility Bond	5869811-0000	\$8,000.00	4/12/2008
Kentucky Utilities Company	Utility Bond	5869813-0000	\$5,500.00	4/14/2008
Tampa Electric Company	Utility Bond	5876344-0000	\$86,000.00	7/8/2008
Huntsville Utilities	Utility Bond	5876418-0000	\$16,000.00	12/27/2008
United Cities Gas Companies	Utility Bond	5895705-0000	\$3,350.00	3/4/2008
City of Rocky Mount Collections	Utility Bond	5895708-0000	\$2,900.00	3/17/2008
Central Louisiana Electric Company	Utility Bond	5895710-0000	\$5,500.00	3/25/2008
Maine Turnpike Authority	Bond securing payment for use of ME Turnpike	5895711-0000	\$5,000.00	4/4/2009
Pennsylvania Turnpike Commission	Bond securing payment for use of PA Turnpike	5895712-0000	\$3,000.00	4/4/2008
Southwestern Power Company	Utility Bond	5910793-0000	\$4,600.00	9/27/2008
State of Nevada, State Contractors Board	License to do business as a Contractor in NV	5930784-0000	\$2,000.00	4/9/2008
TECO People's Gas	Utility Bond	5930806-0000	\$1,000.00	12/14/2008
Western Resources, Inc.	Utility Bond	5930808-0000	\$1,000.00	1/28/2009
New York State Thruway Authority	Extension of credit for use of New York Thruway	5930893-0000	\$1,000.00	10/8/2008
Maine Turnpike Authority	Bond securing payment for use of ME Turnpike	5930908-0000	\$5,000.00	12/14/2008

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Obligee	Description	Bond No.	Bond Amount	Effective Date
South Carolina Public Service Authority (Santee Cooper)	Utility Bond	6088504-0000	\$14,000.00	11/1/2008
City of Vero Beach Utilities	Utility Bond	6088516-0000	\$14,000.00	12/19/2008
Electric Power Board of Chattanooga	Utility Bond	6088523-0000	\$8,600.00	1/10/2009
City of Lakeland, Department of Electricity & Water	Utility Bond	6088524-0000	\$14,000.00	1/10/2009
AEP/Public Service Company of Oklahoma	Utility Bond	6088526-0000	\$9,474.00	1/10/2009
Kansas City Power & Light Company	Utility Bond	6088527-0000	\$3,500.00	1/25/2009
Con Edison Company of New York	Utility Bond	6156367-0000	\$83,140.00	7/16/2008
City of Orlando and/or Orlando Utility Commission	Utility Bond	6189274-0000	\$5,000.00	6/17/2008
State of Indiana, Secretary of State, Notary Department	Notary Public Bond	6200155-0000	\$5,000.00	1/14/2003
Kentucky Utilities Company	Utility Bond	6216827-0000	\$5,000.00	10/2/2008
State of Nevada, Department of Taxation	Guaranty payment of taxes	6216840-0000	\$30,000.00	10/21/2008
Withlacoochee River Electric Cooperative, Inc.	Utility Bond	6275855-0000	\$12,000.00	8/4/2008
U.S. Customs Service, Department of Homeland Security	Importer Broker Bond	6327553-0000	\$1,000,000.00	6/24/2008
Progress Energy Carolinas	Utility Bond	6335771-0000	\$88,982.00	4/28/2008
Salt River Project Agricultural Improvement & Power District	Utility Bond	6335792-0000	\$150,804.00	5/10/2008
City of Miami Beach	License to do business as a mail order business	6355422-0000	\$5,000.00	8/11/2008
City of East Point, Finance Director	Utility Bond	6355484-0000	\$15,000.00	1/24/2009
Arizona Registrar of Contractors	License to do business as a residential contractor	6403858-0000	\$2,000.00	3/20/2008
Arizona Registrar of Contractors	License to do business as a residential and commercial contractor	6403859-0000	\$52,500.00	8/16/2008
Hillsborough County, Construction License Team	License to do business as a contractor	6403862-0000	\$5,000.00	4/12/2008
State of Arizona, Department of Revenue	Taxpayer Bond	6403865-0000	\$2,000.00	4/19/2008
Frederick County, Maryland	License to do business as an electrical contractor	6403866-0000	\$10,000.00	4/19/2008

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Obligee	Description	Bond No.	Bond Amount	Effective Date
Washington Department of Labor and Industries, Department of Electric Licensing & Certification	Electrical/Telecommunications Contractors Bond	6403880-0000	\$4,000.00	6/20/2008
Arizona Registrar of Contractors	License for a Residential C-37R Built-In Central Vacuum System	6403889-0000	\$7,500.00	8/8/2008
Maryland Home Improvement Commission	License to do business as a home improvement contractor	6403890-0000	\$20,000.00	8/8/2008
New Mexico Regulation and License Department	License to do business as a contractor	6403901-0000	\$5,000.00	9/14/2008
Iowa Division of Labor	License to do business as an out of state contractor	6403902-0000	\$50,000.00	9/14/2008
Arizona Department of Insurance	License to sell service contracts	6403908-0000	\$100,000.00	10/17/2008
California Registrar, Contractors State License Board	Contractors Licensing Bond	6403909-0000	\$12,500.00	3/12/2007
Oregon Construction Contractors Board	License to do business as a contractor	6403922-0000	\$15,000.00	6/15/2008
Nevada State Contractors Board	Contractors Licensing Bond	6457119-0000	\$30,000.00	2/15/2009
Arizona Department of Revenue	Contractor Taxpayer Bond	6457128-0000	\$2,000.00	9/6/2008
California Registrar, Contractors State License Board	Bond of Qualifying Individual	6457129-0000	\$12,500.00	3/16/2007
California Registrar, Contractors State License Board	Bond of Qualifying Individual	6457130-0000	\$12,500.00	3/16/2007
California Registrar, Contractors State License Board	Bond of Qualifying Individual	6457131-0000	\$12,500.00	3/16/2007
California Registrar, Contractors State License Board	Bond of Qualifying Individual	6457132-0000	\$12,500.00	3/16/2007
California Registrar, Contractors State License Board	Bond of Qualifying Individual	6457133-0000	\$12,500.00	3/16/2007
Oklahoma Tax Commission	Sales Tax Surety Bond	6457154-0000	\$500.00	12/7/2008
Missouri Gas Energy	Utility Bond	6457176-0000	\$1,350.00	7/17/2008
GreyStone Power Corporation	Utility Bond	6457178-0000	\$2,500.00	8/6/2008
City of Dover, Delaware	Utility Bond	6489799-0000	\$9,000.00	8/23/2008
Kissimmee Utility Authority	Utility Bond	6489803-0000	\$35,000.00	9/11/2008
Knoxville Utilities Board	Utility Bond	6489808-0000	\$2,000.00	10/11/2008
Progress Energy Corporation	Utility Bond	6489809-0000	\$52,115.00	10/17/2008

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Obligee	Description	Bond No.	Bond Amount	Effective Date
Puerto Rico Electric Power Authority	Utility Bond	6489815-0000	\$41,760.00	11/16/2008
Lee County Electric Cooperative	Utility Bond	6489819-0000	\$12,100.00	1/4/2009
Dixie Electric Cooperative	Utility Bond	6489824-0000	\$12,210.00	1/23/2009
Duke Power	Utility Bond	6489825-0000	\$133,700.00	1/18/2009
Puerto Rico Electric Power Authority	Utility Bond	6489827-0000	\$36,000.00	1/31/2009
City of Alcoa	Utility Bond	6489833-0000	\$12,000.00	3/4/2008
Dominion Virginia Power	Utility Bond	6489834-0000	\$482,565.00	3/5/2009
Knoxville Utilities Board	Utility Bond	6489835-0000	\$15,500.00	3/6/2009
Clarksville Department of Electricity	Utility Bond	6489844-0000	\$13,400.00	4/15/2008
Georgia Department of Driver Services	License to Operate an Ignition Interlock Provider Center	6489845-0000	\$120,000.00	4/17/2008
Arizona Public Service	Utility Bond	6489851-0000	\$177,000.00	5/22/2008
Puerto Rico Electric Power Authority	Utility Bond	6489872-0000	\$23,850.00	9/24/2008
Utility Board of City of Foley d/b/a Riveria Utilities	Utility Bond	6489878-0000	\$10,000.00	10/15/2008
Gulf Power Company	Utility Bond	6489885-0000	\$34,540.00	11/5/2008
New York State Electric & Gas	Utility Bond	6489887-0000	\$56,405.00	11/5/2008
Entergy Arkansas, Inc.	Utility Bond	6489888-0000	\$16,850.00	11/5/2008
Entergy Gulf States Louisiana, LLC	Utility Bond	6489889-0000	\$55,550.00	11/5/2008
Entergy Mississippi, Inc.	Utility Bond	6489890-0000	\$50,000.00	11/5/2008
Entergy Louisiana, LLC	Utility Bond	6489891-0000	\$81,390.00	11/5/2008
Allegheny Power	Utility Bond	6581614-0000	\$83,243.00	9/16/2008

Imaged Certificate of Service Page 15 of 15
CERTIFICATE OF NOTICE

District/off: 0422-7
Case: 08-35653

User: frenchs
Form ID: pdforder

Page 1 of 1
Total Noticed: 1

Date Rcvd: Apr 15, 2010

The following entities were noticed by first class mail on Apr 17, 2010.
aty +Gregg M. Galardi, Skadden Arps Slate Meagher, & Flom LLP, One Rodney Sq., PO Box 636,
Wilmington, DE 19899-0636

The following entities were noticed by electronic transmission.
NONE.

TOTAL: 0

***** BYPASSED RECIPIENTS *****

NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Apr 17, 2010

Signature:

